AN ACT<br>RELATING TO LABOR; RAISING THE MINIMUM WAGE; PROHIBITING CERTAIN WAGE-RELATED CONDUCT; MAINTAINING LOCAL GOVERNMENT MINIMUM WAGE ENACTMENTS; PREEMPTING LOCAL LAWS, POLICIES AND RESOLUTIONS FROM REGULATING CERTAIN TERMS OF PRIVATE-SECTOR EMPLOYMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 50-4-22 NMSA 1978 (being Laws 1955, Chapter 200, Section 3, as amended) is amended to read:
"50-4-22. MINIMUM WAGES.--
A. Until January 1, 2018, an employer shall pay an employee a minimum wage rate of seven dollars fifty cents (\$7.50) an hour. On and after January 1, 2018, an employer shall pay an employee a minimum wage rate of nine dollars twenty-five cents (\$9.25) an hour.
B. An employer shall not lower the hourly wage rate of an employee because the employee is paid an hourly wage rate greater than the minimum wage rate as provided in Subsection A of this section.
C. This section does not replace or preempt an enactment of the governing body of a municipality, home rule municipality, county or home rule county that sets a minimum wage rate higher than the minimum wage rates prescribed in this section.

HB 442 Page 1
D. An employer furnishing food, utilities, supplies or housing to an employee who is engaged in agriculture may deduct the reasonable value of such furnished items from any wages due to the employee.
E. An employee who customarily and regularly receives more than thirty dollars (\$30.00) a month in tips shall be paid a minimum hourly wage of two dollars thirteen cents (\$2.13) until on and after January l, 2018, when that rate shall equal forty percent of the minimum wage rate in Subsection A of this section. The employer may consider tips as part of wages, but the tips combined with the employer's cash wage shall not equal less than the minimum wage rate as provided in Subsection $A$ of this section. All tips received by such employees shall be retained by the employee, except that nothing in this section shall prohibit the pooling of tips among employees.
F. An employee shall not be required to work more than forty hours in any week of seven days, unless the employee is paid one and one-half times the employee's regular hourly rate of pay for all hours worked in excess of forty hours. For an employee who is paid a fixed salary for fluctuating hours and who is employed by an employer a majority of whose business in New Mexico consists of providing investigative services to the federal government, the hourly rate may be calculated in accordance with the

HB 442 Page 2
provisions of the federal Fair Labor Standards Act of 1938 and the regulations pursuant to that act; provided that in no case shall the hourly rate be less than the federal minimum wage."

SECTION 2. STATE PREEMPTION--EMPLOYMENT
REGULATION.--A political subdivision of the state, including a home rule municipality or home rule county, or an institution of the state shall not adopt or continue in effect a law, policy or resolution that requires or attempts to require a private-sector employer to provide its employees with advanced notice of their work schedules.

SECTION 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2017.

